

Mid-Coast Corridor

San Diego, California

(November 2002)

Description

The Metropolitan Transit Development Board (MTDB) is proposing to implement a 3.4-mile, three station Mid-Coast Corridor extension from the Old Town Transit Center to Balboa Avenue. The proposed light rail extension is intended to provide an alternative to congested conditions on Interstate 5 by extending light rail service north from downtown San Diego to Balboa Avenue and the University City area. Interstate 5 is the primary road corridor to access Downtown San Diego from the north and is heavily congested during peak hour travel periods. The proposed project will improve transit access from the dense residential areas north of Downtown and provide a connection to the Coaster commuter rail system and broaden the accessibility to the regional light rail, bus, and commuter rail system. This is the first phase of a proposed 10.7-mile, nine-station light rail transit (LRT) line that would extend light rail service to the vicinity of the University of California at San Diego and the growing University City and Carmel Valley areas.

Summary Description	
Proposed Project:	Light Rail Transit 3.4 Miles, 3 Stations
Total Capital Cost (\$YOE):	\$134.2 Million
Section 5309 New Starts Share (\$YOE):	\$65.8 Million (49%)
Annual Operating Cost (2015 \$YOE):	\$3.7 Million
Ridership Forecast (2015):	12,100 Average Weekday Boardings 9,860 Daily New Riders
Opening Year Ridership Forecast (2008):	3,000 Average Weekday Boardings
FY 2004 Finance Rating:	Medium-High
FY 2004 Project Justification Rating:	Not Rated
FY 2004 Overall Project Rating:	Not Rated

This project has not been rated. The project sponsor calculated the project's cost-effectiveness at \$4.68 per hour of transportation system user benefit. However, FTA has serious concerns about the information submitted for this measure; the underlying assumptions used by the project sponsor may have produced an inaccurate representation of the benefits of the project. FTA continues to work with this project sponsor to validate the assumptions, information, and projections. A rating for this project will be made available to Congress and other interested parties when the issues are resolved. The overall project rating applies to this Annual New Starts Report **and reflects conditions as of November 2002**. Project evaluation is an ongoing process. As New Starts projects proceed through development, the estimates of costs, benefits, schedules and impacts are refined. **The FTA ratings and recommendations will be updated annually to reflect new information, changing conditions, schedules, and refined financing plans.**

Status

A Draft Environmental Impact Study (EIS) for the Mid Coast Corridor was completed in February 1995. The Mid Coast Locally Preferred Alternative was selected in October 1995 and included in the regional long range transportation plan in 1996. FTA approved the MTDB's request to enter Preliminary Engineering (PE) for the 3.4-mile initial phase of the LRT extension in September 1996 and for improvements to the Sorrento Valley and Nobel Drive Coaster commuter rail stations in May 1997. The Sorrento Valley Coaster station received a Finding of No Significant Impact (FONSI) in September 1999. A Record of Decision on the project was issued in August of 2001. The MTDB's Mission Valley East LRT Extension remains the agency's priority. It is the intent of the MTDB to complete the Mission Valley East project prior to constructing the Mid-Coast Extension.

TEA-21 Section 3030(a)(75) authorizes the Mid Coast Corridor for Final Design and construction. Through FY 2002, Congress has appropriated \$12.32 million in Section 5309 New Starts funds to the project.

Evaluation

The following criteria have been estimated in conformance with FTA's *Reporting Instructions for the Section 5309 New Starts Criteria*, updated in June 2002. The project will be reevaluated for next year's New Starts report and when it is ready to advance into Final Design.

Project Justification

Rating: Not Rated

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Based on 1998 data, there are an estimated 260 low-income households within a ½-mile radius of the proposed three LRT stations, or roughly eight percent of total households within ½-mile radius of proposed stations. There are an estimated 6,800 employees within ½-mile of the proposed stations, which is 45 percent of the employment in the corridor. The San Diego region is a "serious non-attainment area" for ozone. The incremental cost per incremental trip of the Mid Coast Corridor project is \$4.10.

Project Justification Quantitative Criteria		
Mobility Improvements Rating: Not Rated		
	<u>New Start vs. Baseline</u>	
Average Employment Per Station	2,270	
Average Low Income Households Per Station	90	
Transportation System User Benefit Per Project Passenger Mile (Minutes)	Not Rated	
Environmental Benefits Rating: High		
<u>Criteria Pollutants Reduced</u> (tons)	<u>New Start vs. Baseline</u>	
Carbon Monoxide (CO)	100	
Nitrogen Oxide (NO _x)	9	
Hydrocarbons	13	
Particulate Matter (PM ₁₀)	1	
Carbon Dioxide (CO ₂)	11,180	
<u>Annual Energy Savings</u> (million)		
BTU	143,750	
Cost Effectiveness Rating: Not Rated		
	<u>New Start vs. Baseline</u>	
Cost per Transportation System User Benefit (current year dollars/hour)	Not Rated	
Operating Efficiencies Rating: Medium		
	<u>Baseline</u>	<u>New Start</u>
System Operating Cost per Passenger Mile (current year dollars)	\$0.26	\$0.26

[] indicate an increase in emissions.

Existing Land Use, Transit-Supportive Land Use Policies and Future Patterns Rating: Medium

The *Medium* land use rating reflects the marginally transit supportive development that currently exists in the Mid Coast corridor, but acknowledges the proactive land use planning efforts of the MTDB and the City of San Diego.

Existing Conditions: The corridor runs parallel to Interstate 5 in northwest San Diego. The area on the east side of the corridor is dominated by single-family homes with some low- to medium-density commercial, multi-family, and industrial development. The pedestrian environment is characterized by a grid street pattern in residential areas. The corridor is bordered on the west by the recreational facilities of Mission Bay and some commercial development. Significant trip generators along the Mid-Coast corridor extension include the mixed-use Mission City and Rio Vista developments. The LRT connection with the Nobel Drive Coaster commuter rail station

will serve the University City suburban activity center, including University Town Centre, which is the fourth largest shopping area in the MTDB service area. Significant population and employment growth is forecasted for this area. Parking is generally constrained throughout the corridor. Current zoning along the corridor is moderately supportive of transit.

Future Plans, Policies and Performance: The City of San Diego has implemented extensive measures to encourage higher-density, mixed use development around rail stations, including the development and adoption of *Transit-Oriented Development Design Guidelines* to address redevelopment strategies, street and circulation systems, bicycle and pedestrian systems, transit stop site location and design, and parking supply. The City also participates in a number of programs which provide incentives for improving pedestrian and transit access. The MTDB has been very active in fostering transit-oriented development and has recently adopted a memorandum of understanding that enhances coordination between the MTDB and other local government agencies, and establishes a process for allocating some MTDB funding to jurisdictions based on their adoption of transit-friendly design standards. SANDAG, the area's metropolitan planning organization, provides funding to member jurisdictions to plan for and implement growth management and sustainability strategies. Efforts to change zoning are progressing with the introduction of special parking zones and Urban Village and Transit Area overlay zones throughout the city. Station area plans along the Mid Coast Corridor are under development, and are being coordinated with the North (San Diego) Bay Revitalization program and redevelopment plans for a shopping center at the proposed Claremont Drive station.

Local Financial Commitment

Rating: Medium-High

The rating of *Medium-High* for local financial commitment determined by the *Medium-High* rating for the Capital Operating Plan and the *Medium-High* rating of the Operating Financial Plan.

Proposed Non-Section 5309 New Starts Share of Total Project Costs: 51%

Rating: Medium-High

The MTDB plans to use Section 5309 New Starts funds and TransNet local dedicated sales tax revenues for the project.

Locally Proposed Financial Plan		
<u>Proposed Source of Funds</u>	<u>Total Funding (\$million)</u>	<u>Percent of Total</u>
Federal:		
Section 5309 New Starts	\$65.8	49.0%
Section 5307 Formula	\$0.5	0.4%
State:		
Transit Capital Improvement	\$0.5	0.4%
Local:		
Transnet Sales Tax	\$67.4	50.2%
Total:	\$134.2	100.0%

NOTE: Funding proposal reflects assumptions made by project sponsors, and not DOT or FTA assumptions. Total may not add due to rounding.

Stability and Reliability of Capital Financing Plan

Rating: Medium-High

The *Medium-High* rating reflects the sound financial condition of the MTDB and the agency's strong dedicated revenue sources. For the Mid-Coast Corridor project, MTDB is relying on the local dedicated TransNet sales tax to support almost 100 percent of the non-federal share of funding. MTDB has provided sensitivity analysis indicating an ability to provide funds for the Mid-Coast project under a variety of circumstances.

Agency Capital Financial Condition: MTDB projects sustained year-end cash balances in its capital program over the next 20 years. In most years, these balances are sufficient to pay 100 percent of the non-federal share of the projected costs of the Mid-Coast project. The average age of MTDB's forty-foot bus fleet is currently 5.75 years and has declined from previous years as a result of recent bus purchases. The average age of light rail vehicles is 12.9 years.

Capital Cost Estimates and Contingencies: There have been minor adjustments in the estimated costs for the Mid-Coast project. These costs are considered reasonable given the project size and alignment.

Existing and Committed Funding: All non-New Starts funding for the project is committed. MTDB's dedicated ½-cent TransNet sales tax revenue is considered a stable and reliable source, although the tax sunsets in 2008 and will have to be reauthorized to continue. The San Diego LRT extension program has been structured such that the Mission Valley East LRT project and the Mid-Coast Corridor are built sequentially and will not compete with each other for New Starts funding. Both projects also depend on local TransNet funding for a portion of their construction costs and the MTDB acknowledges that it must reassess TransNet's revenue projections before the Mid-Coast Corridor advances into Final Design.

New and Proposed Sources: No new sources of funding are proposed.

Stability and Reliability of Operating Finance Plan

Rating: Medium-High

MTDB currently forecasts balanced operating budgets in its 20-year operating cash flow projection. The Mid-Coast Corridor project represents only 1.1 percent of total projected bus and rail operating cost.

Agency Operating Financial Condition: In recent years, MTDB has experienced zero operating balances, moderate cost increases, and increasing ridership. MTDB has sufficient funding to cover unexpected operating costs. MTDB plans to increase the level of federal formula funds contributed toward preventive maintenance, in some years up to the federal maximum allowable. MTDB currently projects limited annual year-end surpluses in its 20-year forecast.

Operating Cost Estimates and Contingencies: Annual operating costs for the project are estimated at \$1.9 million in 2015 (YOE dollars). The proposed extension would increase the system-wide operating budget by one percent. The projected operating plan includes bi-annual fare increases in line with inflation per MTD Board policy, continued annual ridership growth at approximately two percent per year in line with historic averages and SANDAG 2020 forecasts of transit ridership, and an increased use of federal formula funds for preventive maintenance.

Existing and Committed Funding: The proposed start-up date for the Mid-Coast Corridor Phase one is estimated to be in 2008. This coincides with the date that the TransNet dedicated funding source will sunset, and this source is proposed to contribute eight percent of system operating costs through 2008, at which point the source is terminated. Other sources of operating funding proposed are farebox revenues and CMAQ funds, and only farebox revenues are committed to the project.

New and Proposed Funding Sources: No new sources of funding are proposed.

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